June 2010

NOP Vision:

Organic Integrity from Farm to Table Consumers Trust the Organic Label

Strategic Plan

On June 14-15, the National Organic Program (NOP) held a two-day strategic planning session to define program objectives and goals to help carry out its marketing and regulatory functions to the fullest extent. While focusing on the divisional functions of the program, including accreditation of certifiers, standards development and interpretation, and compliance and enforcement of organic standards, the NOP concentrated on aligning its strategic goals with that of the Agricultural Marketing Service and of USDA as a whole. It successfully delineated the functions and roles of each arm of the program and its relationships with each other towards creating a comprehensive strategic plan.



NOP Staff at the Strategic Planning Session. First row: Lisa Brines, Mark Keating, Emily Brown-Rosen, Stacy Jones, Soo Kim, Andrew Regalado, Tammie Wilburn. Middle row: Arthur Neal, Lars Crail, Valerie Schmale, Catherine Cash, Dana Stahl, Mark Bradley, Lisa Ahramjian, Shannon Nally, Lorraine Coke, JD Melvin, Judy Ragonesi, Miles McEvoy. Back row: Meg Kuhn, Ruihong Guo, Valerie Frances, Renee Mann, Zeia Lomax. Not pictured: Kristin Thornblad, Bob Pooler, Mary Lou Lusby, Toni Strother, Melissa Bailey, Valerie Thorne, and Katherine Benham.

Development of Organic Agriculture, Certification and Trade in Africa

The NOP Deputy Administrator, along with representatives of the USDA Foreign Agricultural Service (FAS) and Washington State University (WSU), conducted a 4-day workshop in Accra, Ghana, on June 1-4, designed to help develop opportunities for certification and trade of organic agriculture produced in Ghana.

There are no NOP accredited certifiers based in Africa. Organic farmers and handlers must rely on foreign certifiers, primarily from Europe, to provide certification. Moreover, access to European and U.S. organic markets is underdeveloped partially due to lack of local certification and technical resources. To combat that the training included review of the certification process, development of a certification body and grower group certification, as well as information on export market opportunities, particularly in the United States. There were over 100 attendees primarily from the West African countries of Ghana, Niger, Burkina Faso, Ivory Coast, and Ghana.

The WSU Organic Agriculture Program coordinated and led the development of the workshop. Funding was provided by FAS's Borlaug Fellowship Program, which helps developing countries strengthen sustainable agricultural practices.



Workshop participant enjoying organic cocoa (cacao) during grower group tour

Assessment of Foreign Operations: Ghana

During the visit to Ghana, NOP also conducted assessments of NOP certified organic producers and handlers located in Ghana as part of the NOP's efforts to provide greater oversight of foreign organic operations.



Organic oil palm production, Central District, Ghana

Inspection Authority Policy Memo

On June 25, the NOP released the Inspection Authority Policy Memo. In brief, the purpose of the memo was to clarify that the NOP and its recognized State Organic Programs would refrain from directing certifiers to conduct compliance inspections of organic producers or handlers who are either not certified or certified by another certifying agent. Similarly, the memo affirmed that certifying agents would not initiate inspections of operations that are certified by another certifying agent or of uncertified operations who have not applied to them for certification.

Access to Pasture Rule Now Effective

On June 17, the Access to Pasture Rule became effective. Livestock operations which obtain organic certification after June 17, 2010 must comply with this final rule. Operations which were certified as of February 17, 2010 must fully implement the provisions of this final rule, as applicable, *one year* from the effective date, on June 17, 2011.

Compliance & Enforcement Update

| NOP Compliance & Enforcement Branch Monthly Activity Report Reporting Period: June 2010 | |
|---|----------|
| Reporting Categories | Number |
| Beginning Complaint Inventory | 105 |
| New Complaints Received | 17 |
| Complaints Closed | 7 |
| Ending Complaint Inventory | 115 |
| Complaints over 270 days | 19 |
| Complaints over 180 days | 16 |
| Average Time for Case Closure | 148 days |

The NOP issued one civil penalty in June 2010 for violation of 7 C.F.R §205.100(a) and §205.102. NOP had previously contacted the entity concerning a complaint filed in 2009, at which time the NOP instructed the entity to remove the USDA seal and all references to "organic" from its products. A second complaint was filed in 2010 for use of the term "organic" without organic certification. NOP determined that the operator knowingly violated the NOP regulations §205.100(c) and issued a \$1,000 settlement option, which has been agreed to and paid by the entity.

OCIA Suspension

The NOP recently established a settlement agreement with the Organic Crop Inspection Agency (OCIA) that prohibits OCIA from operating in China. OCIA retains its accreditation for its certification activities in other countries including the United States, Canada and Mexico. In August 2007, the NOP conducted an onsite audit of OCIA and its certified operations in China as

a part of the program's organic accreditation renewal process. The audit found that OCIA used inspectors employed by the Chinese government who posed a conflict of interest with the certified organic operations they were inspecting. In July 2008, NOP proposed revoking OCIA if its accreditation in China. OCIA appealed the proposed revocation.

As part of the settlement, OCIA will be able to apply for re-accreditation as a certifying agent in China after one year. In order for OCIA to be approved to start certifying organic operations in China, OCIA would have to hire inspectors who have no connection to any governmental or quasi-governmental Chinese entity to inspect OCIA certified operations in China. OCIA has agreed to increased NOP oversight and inspection of the company and its operations if the company is accredited to certify operations in China again.

NOP Appeals

In June, the NOP Appeals office received 856 adverse action/non-compliance notifications*:

- 538 Notice of Noncompliance
- 102- Notice of Proposed Suspension
- 30 Notice of Suspension
- 35 Notice of Proposed Revocation
- 1- Notice of Revocation
- 8 Denial of Certification
- 280 Notice of Resolution
- 57 Surrender of Certification

*(These letters are submitted to the Administrator as part of the accreditation requirements for accredited certifying agents under § 205.501(a)(15)(i). Procedural requirements for the adverse action letters issued to operations are outlined in § 205.405 and § 205.662. These numbers are based on the number of letters received by the AMS Administrator from accredited certifying agents during the month of June 2010. These numbers may include letters issued prior to June 2010, may not include all letters issued in June 2010, and may not include letters submitted to a State Organic Program.)

NOP Staff Update

In June, the NOP welcomed Melissa Bailey as the director of the Standards Division. Ms. Bailey is completing her Ph.D. in the Agriculture, Food and Environment Program at Tufts University. She holds a B.S. in Biology from Northeastern University and a M.S. in Public Policy from Tufts University's School of Veterinary Medicine. Her experience includes three years as a senior

analyst for an agri-business management consulting firm, four years as assistant director for an international environmental policy center, and multiple contract positions related to organic research projects.

Pesticide Residue Testing Live Meeting

On June 23-24, the NOP conducted two web-based sessions to discuss preliminary details of its proposed Pesticide Residue Testing Program. The webinar was effective for informing 60-plus participating certifying agents of current and pending NOP activities. The NOP will continue to develop procedures for pesticide residue sampling, using the feedback received from the participants at the meetings. In addition, the NOP plans to increase use of webinar technology when conducting similar trainings in the future, so stay tuned.